

TO: JAMES J. WALDRON, CLERK

CASE NO. 08-14631 (GMB)

IN RE: Shapes/Arch Holdings, L.L.C., *et al.*
(Jointly Administered)

CHAPTER 11

INFORMATION FOR NOTICE OF SETTLEMENT OF CONTROVERSY

The Class 10 Liquidation Trust (the “Class 10 Trust”) proposes to settle a claim and/or action, the nature of which is described below.

If any creditor or other party in interest has an objection to the settlement, an objection and request for a hearing on such objection shall be in writing, served upon the Class 10 Trust’s counsel and filed with the Clerk of the United States Bankruptcy Court.

Such objection and request shall be filed with the Clerk and served upon the Class 10 Trust’s counsel no later than August 5, 2010.

In the event an objection is timely filed, a hearing thereon will be held on August 17, 2010, at 10:00 a.m., before the Honorable Gloria M. Burns, at the United States Bankruptcy Court, Mitchell H. Cohen U.S. Courthouse, 400 Cooper Street, 4th Floor, Camden, New Jersey 08101.

If no objection is filed with the Clerk and served upon the person named below on or before August 5, 2010, the settlement will be consummated without further notice.

The nature of the action and the terms of the settlement are as follows:

NATURE OF ACTION	PERTINENT TERMS OF THE SETTLEMENT
The Class 10 Trust made a demand against Zymotic Imports, Ltd. (“Zymotic”) seeking recovery of \$41,941.60 in transfers made by one or more of the Debtors to Defendant during the 90-day period preceding the Debtors’ Chapter 11 filings under 11 USC § 547.	Zymotic and the Class 10 Trust have entered into a settlement agreement resolving the demand. Pursuant to the settlement agreement, Zymotic has agreed to make payment to the Class 10 Trust in the amount of \$4,000 in full satisfaction of any avoidance claims the Class 10 Trust has or might have against Zymotic and to waive the filing of any claim under 11 U.S.C. § 502(h). Zymotic has also agreed to waive any general unsecured pre-petition claim(s), whether scheduled or filed, including but not limited to proof of claim 388.

Requests for additional information about the nature of the action or the terms of the settlement should be directed to either of:

NAME:	Ilana Volkov, Esq.	Donna H. Lieberman, Esq.
ADDRESS:	Cole, Schotz, Meisel, Forman & Leonard, P.A. Court Plaza North 25 Main Street Hackensack, New Jersey 07601	Halperin Battaglia Raicht, LLP 555 Madison Avenue 9 th Floor New York, NY 10022
TELEPHONE NO:	(201) 489-3000	(212) 765-9100
SUBMITTED BY:	/s/ Ilana Volkov	POSITION: Co-counsel for the Class 10 Trust’s
DATED:	July 16, 2010	

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